

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE  
EXECUTIVE OFFICE OF THE PRESIDENT  
WASHINGTON, D.C.  
20508**

---

USTR PRESS RELEASES ARE AVAILABLE ON THE USTR HOME PAGE AT [WWW.USTR.GOV](http://WWW.USTR.GOV).  
THEY ARE ALSO AVAILABLE THROUGH THE USTR FAX RETRIEVAL SYSTEM AT 202-395-4809.

---

**FOR IMMEDIATE RELEASE  
MAY 14, 1999**

**99 -43  
CONTACT: JAY ZIEGLER  
HELAINE KLASKY  
AMY STILWELL  
(202) 395-3230**

**UNITED STATES TO REQUEST WTO AUTHORIZATION  
TO RETALIATE IN THE AMOUNT OF \$202 MILLION**

The United States will formally notify the WTO Dispute Settlement Body of its intention to exercise its WTO rights to suspend trade concessions to the European Union (EU) with regard to certain products covering trade of about \$202 million in accordance with WTO procedures. The value of the proposed suspension represents an estimate of the annual harm to U.S. exports resulting from the EC's failure to lift its ban on imports of U.S. meat.

"The actions that we are taking here are 100 percent consistent with our WTO rights. We take this course as a last resort," stated United States Trade Representative Charlene Barshefsky. "The EU has again refused to comply with a WTO ruling against its illegal trade policies, just as it did when it lost WTO cases concerning its discriminatory banana regime. In sharp contrast, the United States and every other WTO member faced with a similar situation has met the measure of its international commitments. The EU should meet its WTO obligations, including those resulting from adverse rulings against it. To do anything less is to jeopardize the credibility and integrity of the WTO."

"The European Union has failed to meet the deadline set by the WTO to end its arbitrary and unscientific ban on imports of hormone-treated beef from the United States. The EU's unwillingness to meet its international obligations leaves the U.S with no choice," stated U.S. Secretary of Agriculture Dan Glickman.

As a result of the EU's refusal to comply with its WTO obligation to lift its ban on U.S. meat for the foreseeable future, the United States will invoke WTO procedures for exercising its right to suspend trade concessions in the amount of \$202 million. The list of products on which the United States will impose a 100 percent duty will be drawn from the preliminary list of products published in the *Federal Register* on March 25, 1999. The final list of products will be published in the *Federal Register* following WTO authorization and will correspond in value to the WTO-authorized damage amount.

“We would still prefer to resolve this long-standing trade dispute in a way that provides access for U.S. meat in the European market,” said Ambassador Barshefsky. “However, the European Commission’s recent misleading reports have made it all the more difficult to find such a solution.”

### **Background**

Under WTO dispute settlement procedures, the U.S. request for WTO authorization to suspend trade concessions must be granted by June 12, 1999, unless the EU claims that the amount of concessions to be suspended exceeds the amount of harm caused to U.S. exports by the EU measures. If the EU makes such a claim, the amount proposed by the United States will be submitted to binding arbitration, which is to be conducted by the original panel that ruled against the EU ban. The rules require such arbitration to conclude by July 12, after which the United States can resubmit its request (adjusting the amount, if necessary, to be consistent with the results of the arbitration), and WTO rules require the WTO to grant the U.S. request in an amount consistent with the arbitrator’s report.